

VIRGINIA:

At a regular meeting of the King George County Service Authority Board of Directors, held on Tuesday, the 20th day of October 2009, at 6:00 p.m. in the Board Room of the Revercomb Building at 10459 Courthouse Drive, King George, Virginia:

PRESENT: Joseph W. Grzeika., Chairman
James B. Howard, Vice-Chairman
James F. Mullen, Member
Dale W. Sisson, Jr., Member
A. Travis Quesenberry, County Administrator
Matthew J. Britton, County Attorney

ABSENT: Cedell Brooks, Jr., Member

The Chairman, Mr. Grzeika, called the meeting to order.

Mr. Howard provided the Invocation.

Mr. Mullen led the Pledge of Allegiance.

Public Comment:

The Chairman opened the floor for public comment. There being none, the Chairman closed that portion of the meeting.

Reports of the Members of the Board

Mr. Grzeika

Mr. Grzeika noted that the first work session with the Service Authority on October 14, 2009 was a good start in preparation to working through the strategic planning process and implementing it as part of the budget process. He commended Mr. Thomas and staff for their support.

SA-10-05 – Consent Agenda:

On a motion by Mr. Sisson, seconded by Mr. Mullen, and carried unanimously, each member voting as follows: Mr. Grzeika Aye; Mr. Howard Aye; Mr. Mullen Aye; and Mr. Sisson Aye, the King George County Service Authority Board of Directors approved the Consent Agenda, as presented, which included the following:

Authorized the issuance of warrants against the FY09-10 KGCSA Operating Fund in the total amount of \$34,266.31

Approved the minutes for September 2009

SA-10-06 – Report from County Attorney

The County Attorney had no report

Action Items:

SA-10-08 – Approval of Water Line Deed of Dedication and Easement for Dahlgren Research Park

Mr. Thomas requested approval and authorization for the KGCSA General Manager to sign and execute the deed of dedication and easement for the Dahlgren Research Park, subject to County Attorney's approval as to form. He stated that the easements are being dedicated for the purpose of a waterline and meter installation for the Dahlgren Research Park, formerly the ManTech property.

On a motion by Mr. Sisson, seconded by Mr. Mullen, and carried unanimously, each member voting as follows: Mr. Grzeika Aye; Mr. Howard Aye; Mr. Mullen Aye; and Mr. Sisson Aye, the King George County Service Authority Board of Directors authorized the General Manager to sign and execute the water line deed and easement for the Dahlgren Research Park, subject the County Attorney's approval.

SA-10-09 – Authorize Request to King George County Board of Supervisors for Appropriation and Transfer of Funds for Service Authority Operations Center Improvements

Mr. Thomas requested authorization of the KGCSA to request the Board of Supervisors to approve a Capital Improvement Fund budget appropriation in the amount of \$60,000 from the bond proceeds to the construction and professional service line items for the necessary improvements to the newly acquired KGCSA Operations Center, as well as authorize expenditure of those funds.

Mr. Thomas explained that the King George County Board of Supervisors approved the purchase of the Cook property for the KGCSA Operations Center at its January 22, 2009 meeting. The funding for the property purchase was approved from the King George County Capital Improvement Fund and proceeds from the General Obligation Bonds. Mr. Thomas presented an itemized list of improvements along with associated costs that are required to make the facility functional as the Operations Center. He noted that the KGCSA is prepared to proceed with the improvements subject to funding approval by the Board of Supervisors.

The Chairman shared his concerns regarding some of the prices for improvements, particularly the price for the sign at an estimated cost of \$1,000 and dumpster rental at \$1,500. Mr. Grzeika asked Mr. Thomas to review the list to ensure the best prices and to ensure that all purchases are handled through the normal procurement process. Mr. Howard inquired as to how much of the estimated amount has been obligated. Mr. Grzeika reminded Mr. Thomas that the objective is not to exceed the \$60,000.

On a motion by Mr. Sisson, seconded by Mr. Howard, and carried unanimously, each member voting as follows: Mr. Grzeika Aye; Mr. Howard Aye; Mr. Mullen Aye; and Mr. Sisson Aye, the King George County Service Authority Board of Directors authorized the Service Authority to request from the Board of Supervisors approval of a Capital Improvement Fund appropriation of funds not to exceed \$60,000 for improvements to the new King George Service Authority Operations Center, as presented.

On a motion by Mr. Sisson, seconded by Mr. Howard, and carried unanimously, each member voting as follows: Mr. Grzeika Aye; Mr. Howard Aye; Mr. Mullen Aye; and Mr. Sisson Aye, the King George County Service Authority Board of Directors authorized the Service Authority to request from the Board of Supervisors that the \$60,000 be transferred from bond proceeds and applied to the construction and professional service line items of the King George County Capital Improvement Fund for the necessary improvements to the Service Authority Operations Center property, as presented.

Discussion Items:

SA-10-10 – Service Authority FY2008/2009 Year-End Status Report

Ms. Harper presented the Board with the Service Authority FY2008/2009 year end cash flow figures. She noted that revenue came in 21% under budget resulting in a year end deficit of \$404,674. The amended budget had projected revenues to be \$5,064,283 and the actual year end figure for revenues was \$4,025,198. The Water Quality Improvement Fund grant funds will be utilized to supplement this deficit. Ms. Harper noted also that expenditures were 13% under budget for the fiscal year. Expenditures were projected to be \$5,046,283 and actual expenditure figures for the fiscal year were \$4,429,872. Ms. Harper provided further details on specific areas where revenues had decreased and also a detailed account of efforts implemented by the Service Authority to decrease expenditures to minimize the year end deficit.

General Manager's Report:

Mr. Thomas noted that previously, the KGCSA has purchased a blower and controls that would be installed on a portable skid for use at any of the wastewater treatment plants. The Service Authority will be mounting the blower and controls and temporarily installing the unit at the Purkins Corner Plant. This unit should significantly increase the reliability of the treatment plant operations and minimize any downtime due to equipment failure at the plants.

Mr. Howard inquired about an issue with metals at the Purkins Corner plant and asked if research had been completed so as to determine the source of the metals. Mr. Thomas stated that negotiations are ongoing with DEQ to get a modified permit to increase the metals limits. Before proceeding with the modified permit, additional toxicity testing will be done at both Purkins Corner and Oakland Park to see if the discharge is in fact toxic. Some testing has revealed increased nitrogen levels and that source has been narrowed to the Food Lion on Route 3. Discussions are continuing with the Food Lion regarding this issue.

There being no further business to come before the Board, the Chairman adjourned the meeting to Thursday, November 5, 2009 at 6:00 p.m. in the Board Room of the Revercomb Building, on a motion by Mr. Sisson, seconded by Mr. Howard, and carried unanimously.